NIIT TECHNOLOGIES B.V. AMSTERDAM

7

Annual Report 2015/2016 May 11, 2016

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date

1 1 MAY 2016

-inilizis

INDEX

D

* INT	RODUCTION	Page
1 2 3 4 5	Audit report General Results Financial position Tax position	2 3 4 5 6
FIN	ANCIAL REPORT	
1	Report of the Managing Directors	9
FIN	ANCIAL STATEMENTS	J
1 2 3 4 5	Balance sheet as at March 31, 2016 Profit and loss account 2015/2016 Notes to the Statements Notes to the balance sheet as of March 31, 2016 Notes to the profit and loss account 2015/2016	11 12 13 16 20
ОТН	ER INFORMATION	20
1 2 3	Provisions of the articles of association regarding the appropriation of the result Recognition of the loss for 2015/2016 Post balance sheet events	24 24 24

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date 11 MAY 2016

..... [277]

INTRODUCTION

D

FOR IDENTIFICATION PURPOSES ONLY 600 Audit & Assurance 6.V.

date

1 1 MAY 2016

IniMals 1910



Scheveningseweg 10, 2517 KT Den Haag Telefoon 070 - 3560795, Telefax 070 - 3561437 E-mail info@smitwolf.nl K.v.K. Den Haag nr. 27086955 B.T.W. NL.8106.55.366,801

> Members of the Management Board of NIIT Technologies B.V. Zuidplein 36 1077 XV AMSTERDAM

Reference

Date

10432.00

May 11, 2016

Dear Sirs,

We hereby present the report of the annual accounts for 2015/2016 of NIIT Technologies B.V., of which the balance sheet accumulates a total assets value of \in 1,144,400 and the profit and loss account concludes to a result after taxes of negative \in 88,728.

1 AUDIT REPORT

These annual accounts have been audited by BDO Audit & Assurance B.V. You will find the auditor's report following on chapter: 'Other information'.

FOR IDENTIFICATION PURPOSES ONLY 600 Audit & Assurance 6.V.

date

1 1 MAY 2016

2 GENERAL

1

3

2.1 Founding and activities

The company with limited liability NIIT Technologies B.V. has been formed on November 28, 1995 by NIIT Technologies Limited, established in England. The company's operations include IT-services.

2.2 Management

The Management Board include the following members:

- mr. Arvind Thakur (non-resident in the Netherlands);
- mr. Arunbir Singh Soin (non-resident in the Netherlands).

FOR IDENTIFICATION PURPOSES ONLY BOO Audit & Assurance B.V.

deta

1 1 MAY 2016

Initials VVC

FINANCIAL REPORT

ay.

D

D

D

9

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date

1 1 MAY 2016

REPORT	OF	THE	MANA	CING	DIRECT	MES
	2.28	S S R R F	IUNI-YEAR	1.2	Prox 2 d & See See	4 - 21 1 - 2

In accordance with article 2:396 part 7	of the Dutch Civil Code no	report of the Managing	Directors
for 2015/2016 has been prepared.		, ,	

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date

1 1 MAY 2016

Initials VV

FINANCIAL STATEMENTS

Balance sheet as at March 31, 2016 Profit & loss account from 2015/2016 Notes to the Statements Notes to the balance sheet as of March 31, 2016 Notes to the profit & loss account from 2015/2016

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date

1 1 MAY 2016

initials 200

BALANCE SHEET AS AT MARCH 31, 2016

(after appropriation of the profit)

SANITITIONS	NOTES	3	31-Mar-16	31-	31-Mar-15	
	2	EUR	INR	EUR	MINE	
ASSETS Fixed assets						T
Tangible fixed assets	3					
Other tangible fixed assets		2,298	173.193	2.428	7	162 503
Financial fixed assets	(2)				2	25,20
Investments in group companies		ı	ı	61,973	4.150.084	
Other receivables		5,160	388,894	13,490	903,371	
		5,160	388,894	75,463	30'5	5,053,455
Current assets						
Keceivables, prepayments and accrued income	6					
Trade received for	0	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
Cross and annual and annual an		338,787	25,533,360	665,424	44,560,784	
Group and associated companies		5,910	445,419	819	54,845	
Corporation tax		50,404	3,798,798	13,068	875,112	
Prepayments and accrued income		10,239	771,683	10,143	679,236	
		405 340	085 05 0E	7 7 7 000		
Cash and cash equivalents	(4)	731,602		762 743	46,16	46,169,977
		007 77 7		O. 1.10	'0'10	0,0',
		1,144,400	86,249,995	1,530,088	102,463,873	3,873
						-
PARTICILIARS	SHOIM	3.	31-Mar-16	31-1	31-Mar-15	
	2					T
		EUR	INR	EUR	INR	
FOLITY AND LIABILITIES SHAVAHOLIAND						
Issued share capital	(2)	18.151	1 367 986	7 U	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
General reserve		870,326	65,593,860	959,054	64.224,010	
	, 95	888,477	66,961,846	977,205		65,439,510
Current llabilities Trade creditors	(n)	r c c	1			
Liabilities to group and associated companies		128,62	1,802,854	10,822	724,706	
Other faxes and enoist incurance nevertile		62,23	4,041,47¢	285,760	19,136,204	
Sunda navealles accurate and deferred income		70,588	5,320,008	141,675	9,487,408	
ספיים ל לפלימיונים, מביכותמום מזות תמוכניםת ווניסונום		98,139	7,473,316	114,626	7,676,045	
		255,923	19,288,149	552,883	37,02	37,024,363
		1,144,400	86,249,995	1,530,088	102,46	102,463,873

2 PROFIT AND LOSS ACCOUNT 2014/2015

PARTICULARS	NOTES		31-Mar-16	31	31-Mar-15
		EUR	INR	EUR	INR
Net turnover Cost of sales	8	2,628,219 879,363	187,983,364 62,896,439	3,781,515 1,111,419	295,937,582 86,978,540
Gross margin on turnover	·	1,748,856	125,086,925		208,959,043
Jaarrekening		1,748,856	56 125,086,925		208,959,043
Expenses					
Wages and salaries	(g)	1,280,075	91,557,364	1,864,877	145 943 409
Social security charges	(6)	150,285	10,749,135	217,701	17,037,063
Management services	(01)	19,338	1,383,150	25,158	1,968.840
Other personnel costs	(11)	87,439	6,254,074	103,910	8 131 893
Depreciation	(21)	1,841	131,678	919	71 920
Accommodation expenses	(13)	30,612	2,189,523	36,706	2.872.575
Office expenses	(14)	9,150	654,454	20,945	1 639 135
Selling expenses	(51)	32,826	2,347,880	45.107	321,722,
General expenses	(91)	176,006	12,588,829	163,932	12,829,154
		1,787,572	72 127,856,087	2,479,255	
Operating result	L	(38,716)	(2,769,162)	190,841	
interest and similar income	(11)		ŧ		
interest and similar expenses	(18)	6,397	7	1,773	138.753
Financial income and expenses		6,397	97 500,629	1,773	
Result from general operations before tax		(32,319)	9) (2,268,533)	192,614	15.
Тах on result from operating activities	(61)	5,564	397,965	(39,432)	(606'580'E)
		(26,755)	(1,870,568)	153,182	11,992,326
Result Investments in Group Companies		(61,973)	3) (4,432,619)		
Result after tax		(88,728)	(8) (6,303,186)	153,182	11,992,326

PARTICULARS E Expenses hone Charges Office Expenses In g Expenses In	26,443 6,383 32,826 20,400 153,735 1,789 82	788,635 (134,181) 654,454 1,891,336 456,544 2,347,880 1,459,110 10,995,896 127,958 5,865	13,388 7,557 20,945 33,241 11,866 45,107 17,975 144,504 1,488	1,047,73° 591,40° 1,639,135° 2,601,40° 928,62° 3,530,029 1,406,706° 11,308,735° 116,449
hone Charges Office Expenses og Expenses otional and Advertising ties to group and associated companies ral Expenses Fees ssional Services ance	(1,876) 9,150 26,443 6,383 32,826 20,400 153,735 1,789	(134,181) 654,454 1,891,336 456,544 2,347,880 1,459,110 10,995,896 127,958	7,557 20,945 33,241 11,866 45,107 17,975 144,504	591,400 1,639,135 2,601,407 928,627 3,530,029 1,406,706 11,308,735
office Expenses og Expenses otional and Advertising ties to group and associated companies ral Expenses Fees ssional Services ance	(1,876) 9,150 26,443 6,383 32,826 20,400 153,735 1,789	(134,181) 654,454 1,891,336 456,544 2,347,880 1,459,110 10,995,896 127,958	7,557 20,945 33,241 11,866 45,107 17,975 144,504	591,400 1,639,138 2,601,40 928,62 3,530,029 1,406,708 11,308,738
office Expenses og Expenses otional and Advertising ties to group and associated companies ral Expenses Fees ssional Services ance	(1,876) 9,150 26,443 6,383 32,826 20,400 153,735 1,789	(134,181) 654,454 1,891,336 456,544 2,347,880 1,459,110 10,995,896 127,958	7,557 20,945 33,241 11,866 45,107 17,975 144,504	591,400 1,639,138 2,601,40 928,62 3,530,029 1,406,708 11,308,738
og Expenses otional and Advertising ties to group and associated companies ral Expenses Fees ssional Services	26,443 6,383 32,826 20,400 153,735 1,789	1,891,336 456,544 2,347,880 1,459,110 10,995,896 127,958	20,945 33,241 11,866 45,107 17,975 144,504	1,639,135 2,601,40 928,62 3,530,029 1,406,706 11,308,739
ral Expenses Fees ssional Services	6,383 32,826 20,400 153,735 1,789	2,347,880 1,459,110 10,995,896 127,958	11,866 45,107 17,975 144,504	928,62 3,530,029 1,406,700 11,308,730
ral Expenses Fees ssional Services	6,383 32,826 20,400 153,735 1,789	2,347,880 1,459,110 10,995,896 127,958	11,866 45,107 17,975 144,504	928,62 3,530,029 1,406,706 11,308,739
ties to group and associated companies ral Expenses Fees ssional Services ince	6,383 32,826 20,400 153,735 1,789	2,347,880 1,459,110 10,995,896 127,958	11,866 45,107 17,975 144,504	928,62 3,530,029 1,406,700 11,308,730
Fees sional Services ince	20,400 153,735 1,789	1,459,110 10,995,896 127,958	17,975 144,504	1,406,706 11,308,739
Fees sional Services ince	153,735 1,789	10,995,896 127,958	144,504	11,308,739
Fees sional Services ince	153,735 1,789	10,995,896 127,958	144,504	11,308,739
ssional Services Ince	153,735 1,789	10,995,896 127,958	144,504	11,308,739
ince	1,789	127,958		
General Expenses		1	1,400	
			(35)	(2,739
<u> </u>		0,000	(00)	(2,759
	176,006	12,588,829	163,932	12,829,154
cial Income & expenses				
st Income-Deposits & others	7,531	538,655	6,326	495,066
st and similar exepnse	(1,134)	(81,109)	(4,553)	(356,313
	6,397	457,545	1,773	138,753
st And Similer expenses				
st Income Deposit and others	3,560	254,629	6,326	495,066
age Diffrences	3,219	230,239	(3,171)	(248,159)
_ · · · · · · · · · · · · · · · · · · ·	752	53,787	-	11.5 14.5
and other fincancial charges			(1,382)	(108,154)
 -	6,397	457,545		138,753
result on Operating Activities				
1	5,564	397,965	(39,432)	(3,085,909)
st Income-Deposits & others	•	B		(3,085,909)
1	at loans group companies and other fincancial charges	t loans group companies 752 and other fincancial charges (1,134) 6,397 result on Operating Activities	t loans group companies 752 53,787 (1,134) (81,109) 6,397 457,545 result on Operating Activities	t loans group companies 752 53,787 - (1,134) (81,109) (1,382) result on Operating Activities

NOTES TO THE STATEMENTS

* GENERAL

9

The annual accounts are drawn up in accordance with the statutory provisions of Title 9 Book 2 BW. The annual accounts are compiled in euro.

Assets and liabilities are generally valued at acquisition or manufacturing cost or the current value. If no specific basis of valuation is mentioned, the valuation is made at acquisition cost. References are included in the balance and the profit and loss account which refer to the explanatory statement.

Group structure

The company is a member of a group, led by NIIT Technologies Limited with Registered Office in New Delhi, India. The financial figures of the company are included in the consolidated financial statements of the head of the group.

Consolidation

As Article 407, sub 2, section 9 Book 2 of the Netherlands Civil Code applies, the company refrains from consolidation.

Estimates

It is the duty of the management, according to general accepted accounting principles, to make estimates and presuppositions which are determined for the presented financial figures. The real results can differ from these estimates.

Principles of currency conversion

Assets and liabilities in foreign currencies are converted into euro's at the exchange rate as per balance sheet date, except for forward rate transactions. In such cases, valuation is at the corresponding future exchange rate.

Profits and losses on exchange rates are stated in the profit and loss account. Foreign currency transactions during the year under review are converted at the expiration rate.

ACCOUNTING PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

Tangible fixed assets

The tangible fixed assets are valued at the purchase price or the manufacturing costs minus the depreciations which are determined based on the estimated economic life, with any residual value taken into consideration. Depreciations are a fixed percentage of the purchase price or manufacturing costs.

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

- 13 -

date

A provision has been recognised for costs of periodical major maintenance. This provision is presented under the other provisions as a liability item.

Depreciation rates

Asset

%

Other tangible fixed assets

33

Financial fixed assets

Investments in which no significant influence can be exerted are stated at purchase price less any recognised impairment in value.

The NIIT Group is a group with an international structure of which the ultimate parent company is located in India. The group companies have valued their subsidiaries at cost, as allowed by Indian Gaap, which is the applicable accounting standard for the NIIT Group. As Article 389, sub 9 section 9 Book 2 of The Netherlands Civil Code applies, the company does not have to value the subsidiary at net asset value as is common practice under Dutch Gaap. The 99,96% subsidiary NIIT Technologies N.V., Belgium is calculated at cost less any recognised impairment in value.

Receivables and deferred assets

Receivables and deferred assets are valued at their nominal value, and where necessary, minus provisions for bad debts.

Cash and cash equivalents

The cash funds are valued at their nominal value.

Current liabilities

Current liabilities are valued at nominal value unless stated otherwise.

ACCOUNTING PRINCIPLES OF RESULT DETERMINATION

Net turnover

The net turnover refer to the amounts charged to third parties regarding providing of services, after deduction for discounts and value added tax in the year.

The revenue regarding providing service is processed in the profit and loss account in proportion to the service provided, if it's transaction can be considered reliable.

> FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

1 1 MAY 2016

Cost of sales

The cost of sales are identified as the costs which can be directly related to the service rendered.

Depreciation

The depreciations on tangible fixed assets are calculated at fixed rates on the purchase price, on the basis of the expected economic life. Book profit and losses on sale of tangible fixed assets are included in the depreciation on tangible fixed assets.

Financial result

Interest profits and losses include interest profits and losses pertaining to the financial year under review from issued and outstanding loans.

Taxes

Corporation tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the annual account and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

rista

1 1 MAY 2016

initiate (CX)

OTHER INFORMATION

FOR IDENTIFICATION PURPOSES ONLY BOO Audit & Assurance 8.V.

date

1 1 MAY 2016

white VVI

OTHER INFORMATION

*1 Provisions of the articles of association regarding the appropriation of the result

Clause 14 of the articles of association reads as follows:

- 1. The financial result will become available to the general meeting of shareholders.
- 2. a. The company may distribute distributible profits to shareholders and others entitled here to, only so far as the equity shows a surplus after the sharecapital plus the statutory reserves have been deducted there of.
 - b. Profits may be distributed after adoption of the annual accounts authorising such distribution.
 - c. No distribution of profits will be payable to the company.
- 3. The company may only pay interim profit distributions if the conditions said in clause 2.a. have been met.

2 Recognition of the loss for 2015/2016

In accordance with the legal provisions, the loss of \leq 88,728 for 2015/2016 will be deducted from the other reserves. Awaiting the approval by the General Meeting, this proposition has already been processed in the annual accounts.

3 Post balance sheet events

As at April 1, 2016 the directors of the participation NIIT Technologies N.V., Belgium, entered into an agreement with the Belgium Branch of NIIT Technologies Limited, India for the transfer of the business activities of NIIT Technologies N.V. to the Belgium Branch. This transfer will be effective as from April 1, 2016. After the finalisation of the transfer the directors and shareholders of NIIT Technologies N.V. are planning to dissolve the company during the financial year 2016/2017. The net asset value of the participation in NIIT Technologies N.V. will remain negative after the transfer. Due to these circumstances the participation has been impaired to nil as at March 31, 2016.

FOR IDENTIFICATION PURPOSES ONLY BDO Audit & Assurance B.V.

date

1 1 MAY 2016

initials VX()



Tel: +31 (0)10 242 46 00 Fax: -31 (0)10 242 46 24 rotterdam@bdo.nl www.bdo.nl 800 Audit & Assurance R.V. K.R. van der Mandelelaan 40. 3062 MB Rotterdam Nederland

Independent auditor's report

To: the shareholders of NIIT Technologies B.V.

Report on the audit of the financial statements 2015/2016

Our opinion

We have audited the financial statements 2015/2016 of NIIT Technologies B.V., based in Amsterdam.

In our opinion, the enclosed financial statements give a true and fair view of the financial position of NIIT Technologies B.V. as at March 31, 2016 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1. the balance sheet as at March 31, 2016;
- 2. the profit and loss account for the financial year from April 1, 2015 until March 31, 2016; and
- 3. the notes comprising a summary of the applicable accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of NIIT Technologies B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.



Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

Misstatements can arise from errors or fraud and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other legal and regulatory requirements

Other information

This report includes, next to the financial statements and our opinion thereon, other information. This other information consists of:

- the other information on page 24;
- the other information in the chapters 'Introduction' and 'Financial report' on pages 2 until 9.

_2



- Pursuant to legal requirements of Part 9 of Book 2 of the Dutch Civil Code and the auditing standards we report that:
 - we have no deficiencies to report as a result of our examination whether the other information on page 24 as required by Part 9 of Book 2 of the Dutch Civil Code have been annexed.
 - we have nothing to report regarding the other information other than the other information on page 24.

Our opinion on the financial statements does not include the other information and we do not express an opinion or other assurance conclusion on the other information. As part of our audit on the financial statements and based on the auditing standards, it is our responsibility to read the other information. We have to assess whether there are any material inconsistencies between the other information and the financial statements. In order to do so, we use the obtained audit evidence of audit of the financial statements and the conclusions drawn in our audit. We also determine whether the other information in other ways seems to include material deficiencies. If we conclude, based on the procedures performed, that the other information includes a material deficiency, we are required to report this matter.

Management is responsible for the preparation of the other information including the preparation of the other information on page 24 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Rotterdam, May 11, 2016

R.R. Willems MSc RA

For and on behalf of BDO Audit & Assurance B.V.,

Initial for identification purposes:

3